



February 10, 2010

Assembly Committee on Financial Institutions  
Representative Jason Fields, Chair  
P.O. Box 8952  
Madison, WI 53708

Dear Chairman Fields,

On behalf of the Wisconsin Mortgage Professionals Association, I would like to personally offer my support of Assembly Bill 658 as it relates to the requirements of licensed mortgage loan originators under the Nationwide Mortgage Licensing System.

As the bill states, in 2009 the Wisconsin State Legislature adopted Wisconsin Act 2, which contained provisions of the federal Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act) of 2008. The SAFE Act included the establishment of various standards for the licensing of mortgage loan originators. The applicant must provide: fingerprints for submission to the Federal Bureau of Investigation for a state, national, and international criminal history background check; personal history information; and authorization for the release of certain information, including the applicant's credit report and information related to any administrative, civil, or criminal findings against the applicant. The Department of Financial Institutions (DFI) may not issue a mortgage loan originator license to an applicant if the applicant has previously had a mortgage loan originator license revoked or if the applicant has had specified felony convictions. To issue a mortgage loan originator license, DFI must also find that the applicant has demonstrated financial responsibility, character, and general fitness that will command the confidence of the community and warrant a determination that the mortgage loan originator will operate honestly, fairly, and efficiently. Currently, an individual will not be found to be financially responsible if he or she has shown a disregard in the management of his or her own financial condition, including having current outstanding judgments or tax liens or having, within the past three years, foreclosures or any pattern of seriously delinquent accounts.

Assembly Bill 658 eases this last restriction and would allow DFI to objectively look at each instance as it relates to an individual's credit report and issue a license accordingly. At a time when there are tremendous economic stresses for all Americans and the

mortgage industry as a whole has taken dramatic job loss and financial hardships, there may be instances in which regardless of who was at fault, a foreclosure, judgment or bankruptcy filing on one's credit report may have nothing to do with the financial responsibility of a licensed loan originator. Allowing DFI the ability to review all circumstances surrounding an individual loan originator's application as it relates to financial soundness will help in ensuring that no one is denied their license because of circumstances that were beyond their control or have nothing to do with their ability to advise consumers on their mortgage financing.

I encourage all members of the committee to support this legislation and allow an opportunity for those licensed as loan originators to continue aiding consumers in the financing of their homes.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel O'Brien", written in a cursive style.

Daniel O'Brien  
Vice President, Wisconsin Mortgage Professionals Association  
President, Educated Mortgage Services, LLC